

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

May 24, 2001

Ms. Anne Lynch
Regulatory Manager
1-800-Reconex, Inc.
2500 Industrial Avenue
Hubbard, Oregon 97032

RE: 1-800-Reconex, Inc. (Docket No. 01-00337)

Dear Ms. Lynch:

The Tennessee Regulatory Authority is in receipt of your May 16, 2001 Data Response. Because some of the responses provided have generated additional questions or were incomplete, the Tennessee Regulatory Authority requests that you provide the following information in order to complete the review of the application of 1-800-Reconex, Inc. (hereafter "Reconex" or "Applicant") for a Certificate to provide competitive local telecommunications services within the state of Tennessee pursuant to TCA §65-4-201:

Financial Requirements (2nd Request):

The Staff has reviewed your data response regarding financial statements and projected financial statements and respectfully request the following information:

- 1) Are the submitted trend reports the same as current financial statements? If not, please provide current financial statements and projected financial statements for the applicant.
- 2) Additionally, please address the issue of whether reciprocal compensation amounts are included in current financial statements and projected financial statements.

Small and Minority-Owned Telecommunications Business Participation Plan (2nd Request):

In reviewing your data response, the Staff did not find your statutory basis for not complying with the Small and Minority-Owned Telecommunications Business Participation Plan. Again, TCA §65-5-212 provides that the applicant shall file a SMB Plan with the Authority along with an application for certificate. Such a Plan shall contain an entity's plan for purchasing goods and services from Small and

Minority-Owned telecommunications businesses and information on programs, if any, to provide technical assistance to such businesses.

A typical plan contains the following information:

- 1) Policy statement;
- 2) Definitions from statute;
- 3) Implementation of Plan;
- 4) Measures to contact such businesses in advisement of opportunities for bid of services;
- 5) Programs for technical assistance; and
- 6) The Plan should also set forth how it will be administered, the administrator's name, title, address and duties.

Toll Dialing Parity Plan for Applicants Providing Voice Grade Service:

1-800-RECONEX, Inc. requested in their application authorization to provide competing local telecommunications services, including exchange access telecommunications services within the State of Tennessee. The application stated that 1-800-RECONEX intends to offer a broad variety of local exchange service to residential and business customers in Tennessee with its initial line of local services comparable to that currently offered by the incumbent LECs. Reconex's May 8, 2001 data response reflected the Company's intention of providing prepaid local residential telecommunications service with a toll blocking feature through reselling the services of the Incumbent Local Exchange Carrier ("ILEC"), and it will not own any facilities in the State of Tennessee. Does the Company intend to provide **only** Prepaid Local Telecommunications service with a toll blocking feature throughout Tennessee?

If the applicant intends to provide other types of local exchange service (other than prepaid telecommunications services with toll blocking) in Tennessee, then according to FCC order 96-333, the applicant must file an acceptable IntraLATA Toll Dialing Parity Plan with the TRA. If you need an example of an approved IntraLATA Toll Dialing Parity Plan, previously approved CLEC dockets on the TRA website would contain such a plan.

Tennessee Specific Operational Issues (Applicable to CLECs utilizing UNEs):

Please provide answers to the following questions concerning Tennessee Specific Operational Issues:

1. How does the company intend to comply with TCA §65-21-114? In its description, please explain technically how the company will not bill for countywide calls within Tennessee?
2. Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers in your proposed service areas?
3. Explain the procedures that will be implemented to assure that your customers will not be billed long distance charges for calls within the metro calling areas.

4. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA on resolving customer complaints.
5. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulation found in TCA §65-4-401 et seq. and Chapter 1220-4-11?
6. Please include with your response a copy of your customer circular containing the terms and conditions applicable to customer deposits.

Please submit the requested information by June 7, 2001. If you have any questions, please contact Darrell Whitis at (615) 741-2904 (ext. 132).

Sincerely,

A handwritten signature in black ink, appearing to read "D. Waddell", with a stylized initial "D" and a long, sweeping underline.

David Waddell
Executive Secretary

C: Docket File